

Town Hall and Police Station Re-Use Options and Analysis

Dedham Board of Selectmen
September 19, 2013



Background

- ∞ As part of the Rustcraft proposal the BOS wants residents to know about *potential* re-use options of the Police Station and Town Hall sites
- ∞ The options for re-use are just that – options – no decisions have been made
- ∞ We expect and welcome additional suggestions as we move through the public process

Background

- ∞ Last spring, the Town engaged HR&A Advisors and the Beta Group to study the market and financial feasibility of the Police Station and Town Hall sites
- ∞ HR&A conducted demographic and economic analysis, real estate market scan and financial analysis for alternative re-use plans developed by Beta
- ∞ The report will be on the Town website page for the Rustcraft Road project:
 - www.dedham-ma.gov/rustcraft

Background

- ∞ Projected the land value for each alternative under sale or ground lease scenarios
- ∞ Scenarios were considered as to:
 - Generating the highest land value
 - Supporting the aspirations for the Square's future
- ∞ The BOS has not made any decision as to sale or lease of the land and buildings – such discussions will take place in future public sessions after Special Town Meeting, should the Rustcraft project receive Town Meeting approval

Alternative Re-Use Scenarios

Police Station Site

- ∞ 0.34 acre – built in 1962
- ∞ Building is 14,281 square feet – not considered re-usable and would be demolished
- ∞ Potential mixed-use options:
 - 1) Retail and office, 3 stories, 34,000 sq feet, including District Attorney as tenant (staff would park at Courthouse)
 - 2) Retail and residential, 2 stories, 24,250 sq feet, restricted parking

Alternative Re-Use Scenarios

Town Hall Site

- ∞ 1.07 acre. Built in 1963
- ∞ Building is 17,744 square feet – could be renovated or demolished
- ∞ Potential options:
 - 1) Office space requiring renovations, 18,000 sq ft
 - 2) Mixed-use retail and residential, 3 stories, 45,250 sq ft
 - 3) Mixed use with less retail and more residential, 3 stories, 47,250 sq ft.

Estimated Value of Sale or Lease — *Police Station Site (\$'000)*

	Alt 1 – 3 Stories & DA	Alt 2 – 2 Stories
Land Value if Sold	\$925- \$1200	\$900- \$1,175
50 Yr Ground Lease		
Annual Rent, Years 1-5	\$54 - \$72	\$53 - \$71
Years 21-25	\$81- \$108	\$79 - \$106
Years 46 – 50	\$132- \$176	\$130 - \$174

Estimated Value of Sale or Lease

Town Hall (\$'000)

	Alternative 1 – Minor Renovation	Alternative 2	Alternative 3
Land Value if Sold	\$150 - \$250	\$1,150- 1,775	\$350 - \$975
50 Yr Ground Lease			
Annual Rent, Years 1-5	\$8 - \$16	\$69 - \$105	\$22 - \$59
Years 21 - 25	\$12 - \$23	\$103 - \$157	\$33 - \$88
Years 46 – 50	\$19 - \$38	\$169 - \$257	\$54 - \$144

Combined Value of Sale or Lease — (\$'000)

	Town Hall	Police Station	Total
Land Value if Sold	\$1,100 – 1,800	\$900 - 1,200	\$2,000 - \$3,000
50 Yr Ground Lease			
Annual Rent, Years 1-5	\$90 +/-	\$65+/-	\$155+/-
* Rent is forecast to grow about 2.5%/year			

What Happens Next

☞ If the Rustcraft Proposal is approved by Town Meeting

- the BOS would hire a professional service firm to organize the process
- the BOS would seek comments from residents on the pros and cons of the lease and sale options, as well as the possible use of the sites
- The BOS would vote and the Town Administrator would issue a Request for Proposal for each of the sites
- The Town Administrator , along with his team, would evaluate the RFP's and make a recommendation on which proposals were most advantageous for the Town
- The BOS would then vote to accept or reject the TA's recommendation

End of Re-Use Slides